


October 1, 1987

TO: Lowell P. Braxton, Program Administrator
FROM: Frank J. Filas, Reclamation Engineer 
RE: Bryson #4 Patented Tar Sand Claims, DOE/019/020,
DOE/019/028, and M/019/014, Grand County, Utah

At the current time, we have three separate files on the above referenced tar sands mine. These files are summarized below:

File Summaries

1. DOE/019/020 - A Declaration of Exemption (DOE) was granted to Mr. T. J. Murphy (lessee) on January 14, 1982.
2. M/019/014 - Final approval was given for a 17-acre Mine and Reclamation Plan to Mr. T. J. Murphy on August 30, 1982. The original reclamation surety (an escrow account) was replaced by a \$65,000 bond in March 1983 by Big Horn Oil Corporation (sublessee). Big Horn Oil Corporation defaulted on the lease agreement in 1984. The reclamation bond remained in effect (because it was not cancelable) until November 1986, when the insurance company went into liquidation.
3. DOE/019/028 - Byron Merrell acquired the Bryson #4 lease in 1985. The Division granted him a Declaration of Exemption on June 11, 1985 with the understanding that he would eventually file a mine plan or adopt the existing mine plan (M/019/014). This was never done.

Appraisal

The Division should not have granted Mr. Merrell exemption status in 1985. The correct procedure should have been to transfer the existing permit to Mr. Merrell and require that he post a reclamation bond. There is no fair or equitable way that the Division can assign eventual reclamation responsibility for this mine site at this time.

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DOE/O19/20, DOE/O19/28, M/O19/014

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Recommendation

The mine site encompasses five acres of disturbance (see attached field report) which if divided in two would give you 2.5 acres for Mr. Murphy's exemption and 2.5 acres for Mr. Merrell's exemption. I recommend that the Division treat the site as two exemptions and the the case be closed under file number M/O19/014.

1243R/86-87